



# Trading In Securities Policy

Meridian.

*Approved Date: 23 August 2019*

## POLICY STATEMENT

This policy relates to dealings in securities and Other Financial Products, including Meridian shares and other companies' shares. It sets out the responsibilities of Meridian directors, senior managers, employees, contractors and secondees to Meridian.

## PURPOSE OF THIS POLICY

To ensure that Meridian and its subsidiaries' directors, senior managers, employees, contractors and secondees comply with the law prohibiting insider trading and that all dealings in Meridian Securities by such persons are beyond reproach.

## SCOPE AND FIT

Applies to all entities within the Meridian Group of companies and prevails over any previous policy or rules relating to trading in securities.

## POLICY DETAIL

### *Who this policy applies to:*

This policy applies to directors, senior managers and employees of, and contractors and secondees to, Meridian or any of Meridian's subsidiaries ('Meridian Persons'). It also applies to companies, trusts and any other entities controlled by any Meridian Person and any family member, closely connected person or other person acting on the direction or recommendation of a Meridian Person.

In addition to the rules applicable to all Meridian Persons, this policy contains additional rules that only apply to a subset of Meridian Persons, referred to in this policy as 'Meridian Restricted Persons'. Meridian Restricted Persons are:

- all directors of Meridian and its subsidiaries;
- the Chief Executive, all members of the Executive Management Team and their direct reports;
- all legal, company secretarial, finance and investor relations staff;
- all staff who are members of the Long Term Incentive Plan;
- during the period of any share buyback by Meridian, those directly involved in or having knowledge of the details of the share buyback (e.g. Treasury and Finance staff);
- anyone else notified by the General Counsel from time to time (whether by name, designation, position or business group); and
- companies, trusts and other entities controlled by any of the persons referred to above and any family member or other person acting on the direction or recommendation of any of the persons referred to above.

Meridian Restricted Persons remain subject to this policy and will be deemed to be Meridian Restricted Persons for six months after their departure from Meridian.

### *Compliance is an individual responsibility:*

Each Meridian Person has an individual responsibility to ensure that they comply with the law relating to insider trading and the other requirements of this policy.

This policy:

- is only a general guide in relation to complex legal provisions and should not be taken as legal advice;
- does not replace other legal obligations relating to trading in securities – in particular insider trading laws;
- is designed to reduce the risk of insider trading or insider conduct occurring, but compliance with this policy will not guarantee that insider trading laws are not breached.

**If you do not understand this policy or how it applies to you, then you should speak to the General Counsel. However, any guidance from the General Counsel will not affect your individual responsibility to comply with your obligations under this policy.**

### *What this policy applies to:*

This policy applies to all trading in Meridian Securities and Other Financial Products in which Meridian Persons are involved.

'Involved' includes not just the buying or selling of securities or Other Financial Products held by Meridian Persons. It also includes a situation where a Meridian Person has tipped off or advised someone else to buy, sell or hold the relevant securities or financial products even if the relevant securities or financial products are not held by a Meridian Person or any person or entity related to them.

'Meridian Securities' in this policy means:

- Meridian shares listed on the New Zealand Stock Exchange (NZSX) or Australian Securities Exchange (ASX); and
- listed debt securities issued by Meridian or its subsidiaries to the public; and
- any other securities of Meridian or its subsidiaries, including any debentures, convertible notes, units of shares, options or derivatives (including futures contracts listed on a futures exchange) in respect of any securities of Meridian or its subsidiaries and any Other Financial Product that is traded on a financial market.

'Security' is defined broadly and includes an arrangement or a facility that has, or is intended to have, the effect of a person making an investment or managing a financial risk; and includes a financial product and any interest or right to participate in any capital, assets, earnings, royalties, or other property of any person and any interest in, or right to be paid,

money that is, or is to be, deposited with, lent to, or otherwise owing by, any person (whether or not the interest or right is secured by a charge over any property) and any renewal or variation of the terms or conditions of any existing security. If you are unsure whether something is a 'security' then you should speak to the General Counsel.

'Other Financial Products' in this policy means securities of listed issuers i.e. shares or debt securities listed on an exchange (i.e. NZSX or ASX), options or derivatives created over or in respect of any such securities, and futures contracts listed on a futures exchange. A listed issuer is a party to a listing agreement with an exchange.

This policy does not apply to:

- acquisitions and disposals of Meridian Securities or Other Financial Products by gift or inheritance; and
- acquisitions of Meridian Securities or Other Financial Products through an issue of new Meridian Securities or Other Financial Products, such as an issue of new shares on the exercise of options or under a rights issue or share purchase plan.

### ***Breach of this policy and monitoring of trading:***

This policy forms part of the terms and conditions of employment for all Meridian employees. A breach of this policy is a breach of conditions of employment with Meridian and may lead to disciplinary action, including dismissal. For contractors and secondees, a breach of this policy may lead to termination of contract.

A breach of this policy may also amount to the criminal offence of 'insider trading' or 'insider conduct'. That is, the prohibition on insider trading is a matter of law and it is not restricted to Meridian securities. This may result in conviction and penalties – including imprisonment and fines – and liability to pay compensation to Meridian and / or third parties. Civil penalties may also apply, including the payment of compensation to any person who suffers loss or damages because of insider trading. Meridian Persons who breach the law relating to 'insider trading' or 'insider conduct' are unlikely either to be covered by Meridian's insurance or entitled to an indemnity (protection against financial loss or other financial burden i.e. the cost of defending proceedings) from Meridian.

Meridian may monitor the trading of Meridian Persons as part of the administration of this policy.

## **RULES APPLICABLE**

**Meridian's Trading in Securities Policy consists of:**

- **Four rules applicable to all Meridian Persons**
- **Six additional rules applicable to Meridian Restricted Persons**

## **RULES APPLICABLE TO ALL MERIDIAN PERSONS**

### ***Rule One: Meridian Persons are prohibited from insider trading***

Insider trading or as it is formally described in legislation 'insider conduct' is trading in securities or Other Financial Products when you possess material information not generally available to the market, i.e. information that a reasonable person would expect, if it were generally available to the market, to have a material effect on the price of the relevant securities or value of the relevant futures contract. It applies regardless of how you learn of the material information, and regardless of the reason for the trade.

For Meridian Persons, the prohibition against insider trading applies to trading in Meridian Securities such as Meridian shares. It also applies to trading in Other Financial Products, such as the shares of another company.

This means Meridian Persons possessing material information not generally available to the market must not:

- trade Meridian Securities or Other Financial Products;
- advise, procure, incite, induce or encourage others to trade or hold Meridian Securities or Other Financial Products;
- advise, procure, incite, induce or encourage others to advise or encourage others to trade or hold Meridian Securities or Other Financial Products; or
- directly or indirectly disclose material information to any other person knowing (or where the Meridian Person ought reasonably to know) or believing that the other person will or is likely to:
  - trade or hold Meridian Securities or Other Financial Products; or
  - advise, procure, incite, induce or encourage someone else to trade or hold Meridian Securities or Other Financial Products.

This Rule One does not apply to the acquisition of Meridian Securities in accordance with the terms of the MyShare employee share ownership plan or an approved equity-based remuneration scheme unless such plans or schemes are deemed to be subject to this Rule One by the General Counsel.

'Trade' includes applying for, acquiring or disposing of securities or Other Financial Products, or agreeing to do so.

'Material information' is information that a reasonable person would expect, if it were generally available to the market, to have a material effect on the price of the relevant securities or value of the relevant futures contract.

It is not possible to give a definitive list of types of material information but, in relation to Meridian, it may include information relating to:

- a significant new project or investment;
- Meridian's financial performance;
- the introduction of a new product or service;
- the revaluation of Meridian's assets;
- a possible change in Meridian's strategy;
- a possible acquisition, merger or sale of any assets or company by Meridian;
- pending NZX/ASX announcements;
- a significant change in Meridian's market share;
- entry into or the likely entry into or termination or likely termination of material contracts or other business arrangements;
- a possible change in Meridian's capital structure, including proposals to raise additional equity or borrowings;
- a change in the historical pattern of dividends;
- Board, executive or senior management changes;
- a possible change in the regulatory environment;
- a material legal claim by or against Meridian; or
- a material unexpected liability.

Information is 'generally available to the market' if:

- it has been made known in a manner that would be likely to bring it to the attention of persons who commonly invest in the relevant securities, such as an announcement to the market, and a reasonable period for it to be disseminated among those persons has passed; or
- the information is readily obtainable by investors who commonly invest in the relevant securities (whether by observation, use of expertise, purchase from other persons or any other means); or

- the information consists of deductions, conclusions or inferences drawn from information made known and / or readily obtainable as above.

It does not matter how a person comes to know the material information – they could be given it as part of their responsibilities or could hear of it in a lift, corridor or at a social function. Information includes rumours, matters of supposition, intentions of a person (including Meridian or a Meridian subsidiary) and information which is not ‘definite’ enough to warrant being made known to the public.

***Rule Two: Meridian Persons must not engage in short term trading of Meridian Securities unless first approved by the General Counsel***

Meridian Persons must not engage in short term trading (i.e. acquiring and then selling Meridian Securities within a “short period”, for these purposes it is not uncommon to specify periods of one, two, three or six months), unless there are exceptional circumstances discussed and approved in advance by Meridian’s General Counsel.

If you did this in relation to Meridian Securities it might give rise to allegations of insider trading, particularly if short term trading is undertaken on a regular basis, in large amounts, or around important events which affect the price of the Meridian Securities. These events may not be expected or known by you, but if they do occur your short term trading may be viewed adversely with the benefit of hindsight. Therefore, to reduce the risk of an allegation of insider trading, do not trade in Meridian Securities on a short term basis.

***Rule Three: Meridian Persons must not engage in short selling and/or any other transactions that are speculative***

Meridian Persons must not engage in short selling. Short selling may send a negative message to the market about the level of confidence that the Meridian Person has in the company. Some may consider or speculate the Meridian Person engaged in short selling because they were aware of negative information about the company that the market was not aware of or had not fully absorbed and therefore had engaged in insider trading. In addition, you must not engage in transactions in the derivative markets involving products based on Meridian Securities, this includes OTC products, depository receipts, contracts of difference, forward contracts, swaps, futures, warrants, exchange traded options, caps and collars and other financial product that operates to limit the economic risk associated with Meridian Securities or which are otherwise speculative.

***Rule Four: Meridian Persons must not enter into transactions in Associated Products***

Where Meridian Persons are entitled to participate in any equity-based remuneration scheme, they must not enter into any transaction for any ‘Associated Product’. An Associated Product is any product which has the effect of limiting the economic risk of participating in any entitlement a Meridian Person is eligible for under the remuneration scheme.

## ADDITIONAL RULES APPLICABLE TO MERIDIAN RESTRICTED PERSONS

Note: These additional rules only apply to the Meridian Restricted Persons as attained earlier in the policy.

***Additional Rule One: Meridian Restricted Persons to provide personal information relating to holdings of securities***

If requested, Meridian Restricted Persons must immediately provide the General Counsel with the Common Shareholder Number/s and other personal information relating to holdings of Meridian Securities that they have a ‘relevant interest’ in. A person has a ‘relevant interest’ in a Meridian Security if they are the registered holder, beneficial owner, control the right to vote attached to that security or control the right to acquire or dispose of that security. ‘Control’ is defined broadly and includes powers exercised or exercisable via trust, agreement, arrangement or understanding, via the directors of another company or minority interests in another company or via a related body corporate.

This obligation is in addition to compliance with any disclosure obligations Meridian Restricted Persons have at law, including under the Financial Markets Conduct Act 2013 or under the NZSX or ASX Listing Rules.

***Additional Rule Two: Trading of Meridian Securities or Other Financial Products in ‘Blackout Periods’ is prohibited except in exceptional circumstances approved by the General Counsel***

Meridian Restricted Persons must not (except in exceptional circumstances approved by the General Counsel) trade in Meridian Securities or Other Financial Products during any of the following Blackout Periods:

For Meridian Securities:

- the period from the close of trading on 31 May of each year until the trading day following the announcement to NZSX or ASX of the preliminary final statement or full year results;
- the period from the close of trading on 30 November of each year until the trading day following the announcement to NZSX or ASX of the half-yearly results; and
- any other period that Meridian’s General Counsel specifies from time to time in relation to Meridian Securities.

For Other Financial Products:

- any period that Meridian’s General Counsel specifies from time to time in relation to specified Other Financial Products, either generally for all Meridian Restricted Persons or in relation to specified Meridian Restricted Persons.

If a Meridian Restricted Person needs to trade in Meridian Securities or Other Financial Products during a Blackout Period due to exceptional circumstances, the Restricted Person must, using the form at the back of this Policy:

- seek approval from the General Counsel;
- confirm that they do not hold material information; and
- confirm that there is no known reason to prohibit the Meridian Restricted Person from trading in Meridian Securities or Other Financial Products.

A request for approval by a director or the Chief Executive must be signed by the Chair or, in the Chair's absence, the Deputy Chair. A request for approval by the Chair must be signed by the Chair of the Audit and Risk Committee or, in the Chair of the Audit and Risk Committee's absence, the Deputy Chair of the Board.

Approval will only be granted by the General Counsel if the General Counsel considers, in their sole discretion, that the circumstances giving rise to the request are "exceptional". Examples of exceptional circumstances might include:

- severe financial hardship where the person has a pressing financial commitment that cannot be satisfied otherwise than by selling the Meridian Securities or Other Financial Products; or
- compulsion by court order, court enforceable undertakings or other legal requirement.

If approval is granted, the Meridian Restricted Person will be notified in writing and must complete the approved trade within two trading days from the date of notification. Approval does not mean the Meridian Restricted Person is released from their obligation to comply with the rest of this policy – trading is still prohibited if a Meridian Restricted Person who has secured approval either has or learns of material information which is not generally available to the market. In those circumstances the approval is automatically deemed to be withdrawn.

The Meridian General Counsel may annually require periodic sign offs by any Meridian Restricted Person recording that they are aware of and understand, the trading policy and are in compliance with it.

### ***Additional Rule Three: Trading of Meridian Securities outside of Blackout Periods, and the trading of specified Other Financial Products, must be approved by the General Counsel***

Before trading in Meridian Securities outside of a Blackout Period, or specified Other Financial Products which the General Counsel, from time to time, makes subject to this Additional Rule Three, Meridian Restricted Persons must, using the form at the back of this policy:

- seek approval from the General Counsel;
- confirm that they do not hold material information; and
- confirm that there is no known reason to prohibit the Meridian Restricted Person from trading in Meridian Securities or the specified Other Financial Products.

In the case of proposed trading by a director or the Chief Executive, the form must be signed by the Chair or, in the Chair's absence, the Deputy Chair and in the case of proposed trading by the Chair, the form must be signed by the Chair of the Audit and Risk Committee or, in the Chair of the Audit and Risk Committee's absence, the Deputy Chair of the Board.

If approval is granted, the Meridian Restricted Person will be notified in writing and must complete the approved trade within 10 trading days from the date of notification. Approval does not mean the Meridian Restricted Person is released from their obligation to comply with the rest of this policy – trading is still prohibited if a Meridian Restricted Person who has secured approval either has, or learns of, material information which is not generally available to the market. In those circumstances, the approval is automatically deemed to be withdrawn.

This approval is not required to enrol in Meridian's employee share ownership plan "MyShare".

### ***Additional Rule Four: Meridian Restricted Persons must advise the General Counsel on completion of trades.***

Meridian is required to notify the NZX within five business days of any dealings by Meridian directors and Executive Management Team members in Meridian Securities, and ASX within five business days of any dealings by Meridian directors in Meridian Securities. To allow Meridian to meet its obligations, Meridian directors and Executive Management Team members must notify the General Counsel as soon as practicable (and, in any case, within two business days) after any dealing occurs. The General Counsel will notify the NZX and ASX of the Meridian director's or Executive Management Team member's (as applicable) dealing in Meridian Securities in accordance with the requirements of the NZX and ASX Listing Rules. This requirement applies for six months after a person ceases to be a Meridian director or Executive Management Team member.

All other Meridian Restricted Persons must advise the General Counsel as soon as practicable (and in any case within five business days) of any direct dealings in Meridian Securities.

This Additional Rule Four does not apply to any purchases of Meridian Securities made on a Restricted Person's behalf in accordance with the terms of the MyShare Meridian share ownership plan.

### ***Additional Rule Five: Meridian Restricted Persons may not have margin loans over Meridian Securities***

Meridian Restricted Persons may not enter into or continue with any margin loan arrangements to fund the acquisition of Meridian Securities or in relation to which Meridian Securities may be used as a security against repayment of the loan. This is because the terms of such a loan may require the sale of Meridian Securities during a Blackout Period or while the Meridian Restricted Person is in possession of inside information. This restriction applies whether the Meridian Securities are held:

- in the name of the Meridian Restricted Person; or
- in the name of their spouses or partners or dependent children; or
- by trusts of which the Meridian Restricted Person is a trustee; or
- by any company which a Meridian Restricted Person controls.

## **CONFIDENTIALITY**

At all times you owe a duty of confidentiality to Meridian (including any member of the Meridian Group). You must not reveal any confidential information concerning Meridian to a third party (unless you have been authorised to do so), or use confidential information in any way which may injure or cause loss to Meridian, or use confidential information to gain an advantage for yourself. You should endeavour to ensure that external advisers keep Meridian information confidential.

**Remember - If you do not understand any part of this policy, or how it applies to you, you should raise the matter with General Counsel before dealing with any securities covered by this policy. You may also consult your own legal adviser. If in doubt, don't trade.**

# REQUEST FOR APPROVAL OF PROPOSED TRADING IN MERIDIAN SECURITIES OR OTHER FINANCIAL PRODUCTS

To: General Counsel  
Meridian Energy Limited (“Meridian”)

In accordance with Meridian’s Trading in Securities Policy, I request approval for the following proposed transaction to be undertaken either by me or persons associated with me. I acknowledge Meridian is not advising or encouraging me to trade or hold securities and does not provide any securities recommendation.

Name: .....

Name of registered holder transacting (if different): .....

Address: .....

Position: .....

Description and number of securities: .....

Type of proposed transaction: Purchase / Sale / Other (specify): .....

Likely date of proposed transaction (on or about): .....

Exceptional circumstances related to proposed transaction (if transaction is to occur during a Blackout Period):

I declare that I do not hold information which:

- is not generally available to the market;
- a reasonable person would expect would have a material effect on the price of the above securities or financial products if it were generally available to the market.

I know of no reason to prohibit me from trading in the above securities or other financial products and certify that the details given above are complete, true and correct. I confirm I will advise the General Counsel of completion of any trade in Meridian Securities no later than two business days after completion of the trade.

Signature: .....

Date: .....

To be completed by person approving proposed trading

Approval for the proposed trading has been granted:  Yes  No

Name: .....

Signature: .....

Date: .....